

71-0738
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5 May 1971

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Jim Frey, Chief, International Programs Division, OMB, re Radios Funding

REFERENCE: Letter dated 4 May 1971 to Frey from D/PPB, re same subject.

1. Reference letter raises with Jim Frey one option for accommodating our radio needs. Prior to receipt of the letter, and on the basis of discussion held between the undersigned and Jim Taylor, OMB examiner, last evening, Frey called me this date to advise that he could see no action on this matter unless the President became involved. He reported no funds available in Defense and urged that the Director seek to bring the matter to the President's attention with a recommendation that the President intercede with Congressman Mahon and Senator Ellender.

2. I outlined to Frey the report received via [redacted] late last night (after dispatch of the attached) to the effect that Woodruff did not feel Senator Ellender would go along with Agency funding of the Radios in FY 1972 from appropriation, continuing resolution or by transfer of funds from Defense.

25X1

3. Frey urged this matter be brought to the attention of the President by the Director. On my question, he explained that a letter to Shultz would "not likely get through" and that Mr. Shultz was not inclined to use his entry on such matters. I suggested that, since the matter was Congressional in nature, a further approach through MacGregor seemed in order. Frey agreed but indicated the initiative rested with the Director of CIA, not OMB.

4. Frey requested that a working group be assembled (including OMB membership) to develop a scenario on how termination would be handled -- including legal obligations, distribution of property, frequencies etc. to other government programs (e.g. Armed Forces Radio), publicity handling by the governments involved, etc. I agreed to bring this OMB request to the Director's attention.

John M. Clarke

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